

ACTION NEA-00

INFO	LOG-00	AGRE-00	CA-00	INL-00	USNW-00	DS-00	EB-00
	EUR-00	E-00	UTED-00	IO-00	L-00	NSCE-00	OMB-00
	PA-00	PER-00	PM-00	P-00	D-00	SP-00	SSO-00
	SS-00	TEST-00	R-00	PMB-00	DSCC-00	PRM-00	G-00
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 FM CPA BAGHDAD
 TO SECDEF WASHINGTON DC
 SECSTATE WASHDC 1130
 WHITE HOUSE NSC WASHDC
 INFO IRAQ COLLECTIVE

UNCLAS BAGHDAD 000582

OIL FOR FOOD

E.O. 12958: N/A

TAGS: ECON, PGOV, EAID, IZ

SUBJECT: CPA 1236: Iraq - Public Attitudes Towards Food
 Ration System SURVEY INDICATES IRAQIS RELY HEAVILY ON FOOD
 RATION SYSTEM

1. Summary. Recent surveys commissioned by CPA highlight the importance of Iraq's food ration system to Iraqi households. Over 70 percent of respondents in separate polls agreed strongly that the ration card system works well and that the right people have the right ration. Only 19 percent agreed (and 81% disagreed) that the unelected Iraqi Interim Government should have "power to make economic changes, such as giving people money in place of their food rations." Any reform of the system will require careful consideration. End summary.

2. CPA commissioned two surveys, conducted in April by separate firms, of the urban public in major Iraqi cities. CPA conducted a survey (April 19-26 - approximately 16100 Iraqis living in Baghdad, Basrah, Mosul, Babylon, Diyala, Ramadi and Sulaymaniyah) and April 21 to May 1 - approximately 1100 residents of Baghdad, Basrah, Mosul, Diwaniyah, Hilla and Ba'quba). The polls included questions to probe public attitudes toward the public distribution system (PDS) of food rations set up under the Oil for Food (OFF) program and administered by the Ministry of Trade (MOT) to probe public attitudes toward the incoming Iraqi

Interim Government and also toward the public distribution system (PDS) of food rations set up under the Oil for Food (OFF) program and administered by the Ministry of Trade (MOT). There is interest in using the PDS as the potential basis for voter registration for future elections). Over eight-in-ten Iraqis in both polls endorse "using the ration card to determine who can vote."). Although OOF officially ended in November 2003, CPA continues to fund the PDS through the Iraq Development Fund, support from the World Food Programme and residual OFF contracts.

3. The survey results are also relevant to CPA efforts to explore options for reform of the PDS. Under the current system, every Iraqi citizen is provided with food rations representing about 2400 calories per day per person. While the program is an important safety net for vulnerable parts of the population, it is an inefficient subsidy costing some \$280 million per month. CPA is working with Iraqis to explore options to reform the PDS. Public attitudes toward the PDS will influence how plans to reform the system evolve.

4. APRIL SURVEY RESULTS:

Registration for PDS -

2. Under the current PDS structure, eassisting the Iraqi MOT, however, in exploring the possibility of converting the PDS to a more needs-based system along the lines of the food stamps program in the U.S. Public attitudes toward the PDS will heavily influence how these plans evolve. The results of the current survey highlight the importance of the food ration to the average Iraqi household and the potential for any disruption of the PDS to exacerbate political tensions as the new government assumes sovereignty.

3. SURVEY RESULTS:

Registration for PDS -

100 percent of respondents Nearly 100 percent of respondents in both surveys indicated that each Iraqi living in their household was registered for PDS rations.

Household Financial Situation -

13 percent indicated they had only the PDS rations;
9 percent indicated they often didn't have enough for basic needs;
57 percent said they could get by if they avoided buying non-essentials;
18 percent said they had enough to get by but no disposable income;

2 percent said they had enough to live comfortably.

Efficiency of food ration card system -

72 percent in the seven-city poll and 87 percent percent in the six-city poll strongly agreed that the food ration card system worked well and that the right people have the right ration; less than ten percent disagreed at all in either poll. 25 percent agreed somewhat; 1 percent disagreed somewhat; 1 percent strongly disagreed.

Potential for corruption -

About four in ten 15 strongly somewhat or strongly agreed that the ration cards were easy to fake and people had done so;

six in ten 31 somewhat or strongly disagreed; 25 percent strongly agreed.

Foreigners in possession of food ration cards -

About four in ten 14 14 somewhat or strongly agreed that "lots of foreigners" had ration cards; six in ten 28 somewhat or strongly disagreed.; 30 percent disagreed somewhat; 27 percent strongly disagreed.

Influence of local authorities -

Large majorities in both surveys 48 percent strongly or somewhat agreed that certain local authorities were always able to help get cards.; 39 percent somewhat agreed; 9 percent somewhat disagreed; 3 percent strongly disagreed.

Voter eligibility using food ration cards -

64 percent strongly agreed using ration cards to determine voter eligibility was a good idea; 19 percent somewhat agreed; 8 percent somewhat disagreed; 8 percent strongly disagreed.

5. In a third CPA-commissioned survey, conducted May 14-23 among approximately 1100 urban Iraqis in the same six cities as the April 21-May 1 poll, respondents were asked "What powers should the unelected interim government have for its seven months in office?" Only 19 percent agreed (and 81% disagreed) that it should have "power to make economic changes, such as giving people money in place of their food rations."

The May survey also asked people about their family financial situation:

--11 percent said "we have only the monthly ration;"
--26 percent said "we often have enough only for basic needs
in addition to the ration;"
--47 percent said "we can get by if we avoid buying non-
essentials;"
--14 percent said "we can get by but we have almost no
luxuries;"
--2 percent said "we have enough money to live comfortably."

64. Comment. We are currently exploring options to revise
the PDS, including a possible pilot program to test public
attitudes towards monetization. These survey results
confirms the heavy re is reliance on food rations and
suggest there may be resistance to changes in the system.
Reforms could have significant public impact and will need
to be approached with careful consideration. End Comment.

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